

# PRESIDENTS' FORUM

## BUSINESS CASE

# BACKGROUND

- **Business Case Nugget from 11 Jul Presidents' Forum:**
  - **Action Item** (PF-00-07-03): Construct a proposal for a pilot program to implement “time to market” principle.
  - **Action Item** (PF-00-07-04): Evaluate pilot program to determine success of business model.

# CHALLENGES

- Time to market - speed from idea to fielding
  - Thinking “commercial capabilities” rather than “military requirements”
    - Desirements vs Requirements
  - How do we accelerate bringing new capabilities from industry to the warfighter (driven by commercial opportunities rather than military requirements)

# CHALLENGES- Cont'd

- How do we make the military C2 market more attractive to commercial firms that have not traditionally done business with Government
  - Enabling industry to make best use of competitive advantage
  - Understanding what drives industry
- How do we shift to a new business model that dramatically shortens the requirements, funding, and acquisition processes for Information Technology

# WHAT WE NEED

- Requirements
- Funding
- Contracting Methods

# REQUIREMENTS

- “Call for Initiatives” (e.g., JEFX)
- Concept of Operations
- Statement of Needs
- Capstone Requirements Document
- Capstone PMD
- Concept Development (AFI 63-123)
- C2 Portal

# FUNDING

- Increase funding flexibility
- Discovery dollars for innovation
- Experiment with single type money
- DoD must act as enterprise
- Establish partnerships
- Contractor incentives

# CONTRACTING METHODS

- Existing methods:
  - Other Transactions
  - Unsolicited Proposals
  - FAR Part 12, Acquisition of Commercial Items
  - Delivery/Task Orders on existing contract vehicles



# OTHER TRANSACTIONS

- Non-FAR based acquisition tool:
  - Prescribed by Section 845 of PL 103-160 as amended
  - Commercial type contract for prototypes with potential follow-on acquisition
  - No Cost Accounting Standards or Competition in Contracting Act Requirements, but must be competed to maximum extent possible

# OTHER TRANSACTIONS

## Cont'd

- Use during concepts exploration & program definition phases
- Benefit: attracts businesses that traditionally have not done business with Government

# UNSOLICITED PROPOSALS

- Criteria for valid unsolicited proposal:
  - Innovative and unique
  - Independently originated /developed by offeror
  - Prepared without Government supervision, endorsement, direction, or direct Government involvement
  - Benefit agency's mission
  - Not be an advance proposal for known agency requirement that can be competed

# UNSOLICITED PROPOSALS Cont'd

- Process:
  - Receipt and initial review
  - Evaluation
  - Synopsis (unless exception)
  - Execute Justification & Approval
  - Negotiate
  - Contract Award

# FAR PART 12 - ACQUISITION OF

## COMMERCIAL ITEMS

- Policies and procedures unique to acquisition of commercial items
- Acquisition policies more closely resembling those of commercial marketplace
- Encourages acquisition of commercial items and components

# FAR PART 12 Cont'd

- Streamlined procedures
- Faster timelines
- Process:
  - Solicitation
  - Offers
  - Evaluation
  - Contract Award

# EXISTING CONTRACT VEHICLES

- GSA Federal Supply Schedule
- CIT-PAD BPAs
- ESC ID/IQ Contracts
- Other Government agency ID/IQ contracts